

Equity Metals Corporation

(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements

Three and Six months ended February 28, 2025 and February 29, 2024

(Unaudited - presented in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of Equity Metals Corporation (the “Company”) have been prepared by and are the responsibility of the Company’s management. The condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and reflect management’s best estimates and judgments based on information currently available.

The Board of Directors is responsible for ensuring management fulfills its responsibilities. The Audit Committee reviews the results of the annual audit and reviews the condensed consolidated interim financial statements prior to their submission to the Board of Directors for approval.

The accompanying condensed interim consolidated financial statements have not been reviewed by the Company’s independent auditor.

Equity Metals Corporation

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Presented in Canadian dollars)

	Note	February 28, 2025	August 31, 2024
		\$	\$
Current Assets			
Cash and cash equivalents		5,703,268	5,000,044
Receivables and prepaids	8	192,422	277,738
Total current assets		5,895,690	5,277,782
Non-Current Assets			
Reclamation and other deposits	5	208,980	147,480
Property and equipment	4	35,327	34,740
Exploration and evaluation assets	5	283,659	38,415
Total non-current assets		527,966	220,635
Total Assets		6,423,656	5,498,417
Current Liabilities			
Accounts payable and accrued liabilities		133,538	523,119
Amounts due to related parties	8	35,937	33,381
Reclamation provision	5	10,000	106,325
Flow-through premium liability	6	930,604	869,465
Total current liabilities		1,110,079	1,532,290
Total liabilities		1,110,079	1,532,290
Equity			
Share Capital	7	36,317,071	33,032,052
Subscriptions received in advance (receivable)	7	-	15,000
Reserves	7	5,314,064	5,461,441
Accumulated other comprehensive loss		(103,800)	(103,800)
Deficit		(36,213,758)	(34,438,566)
Total equity		5,313,577	3,966,127
Total Liabilities and Equity		6,423,656	5,498,417

Approved by the Board of Directors on April 28, 2025:

(signed) “Courtney Shearer”

(signed) “Joseph A. Kizis”

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Equity Metals Corporation

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three and six months ended February 28, 2025 and February 29, 2024

(Unaudited – Presented in Canadian dollars)

		Three months ended		Six months ended	
	Note	February 28, 2025	February 29, 2024	February 28, 2025	February 29, 2024
		\$	\$		
Exploration Expenses					
Exploration expenses, net of recoveries	5, 8	249,047	98,988	1,947,683	982,973
Administrative Expenses					
Insurance		2,076	2,049	4,152	4,098
Legal, audit and accounting	8	67,960	89,602	148,055	123,127
Licences, fees and other		20,494	16,841	32,066	26,997
Management fees	8	11,475	15,043	21,325	23,990
Office rent and building expenses	8	15,000	15,000	30,000	30,000
Printing, stationery and office		13,081	8,483	27,802	15,246
Shared-based compensation	8, 10	-	389,537	-	389,537
Telephone		565	562	1,230	1,324
Transfer agent fees		9,124	9,799	15,755	12,603
Travel, marketing and promotion	8	90,118	71,034	170,938	159,006
		(229,893)	(617,950)	(451,323)	(785,928)
Interest income and miscellaneous		29,299	10,654	63,589	15,509
Foreign exchange loss		(388)	(1,033)	(453)	(1,501)
Flow-through premium recovery	6	60,932	25,945	580,107	148,664
Part XII.6 tax arising on flow through financings	6	(19,429)	-	(19,429)	-
Net loss and comprehensive loss for the period		(408,526)	(681,372)	(1,775,192)	(1,606,229)
Weighted average number of shares outstanding		193,136,254	154,730,733	186,453,105	151,368,095
Basic and diluted net loss per share		(0.00)	(0.00)	(0.01)	(0.01)

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Equity Metals Corporation

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Changes in Equity

For the six months ended February 28, 2025 and February 29, 2024

(Unaudited - Presented in Canadian dollars)

	Share Capital Number	Share Capital \$	Subscriptions received (receivable) \$	Reserves \$	AOCL ⁽¹⁾ \$	Deficit \$	Total \$
Balance, August 31, 2023	148,005,458	28,460,898		5,415,227	(103,800)	(30,714,878)	3,057,447
Transfer of value on expired options	-	-	-	(40,486)	-	40,486	-
Transfer of value on expired finders' warrants	-	-	-	(298,756)	-	298,756	-
Share-based payments	-	-	-	389,537	-	-	389,537
Net loss for the period	-	-	-	-	-	(1,606,229)	(1,606,229)
Balance, February 29, 2024	156,505,458	29,625,799	-	5,465,522	(103,800)	(31,981,865)	3,005,656
Shares issued on private placement	13,760,000	4,059,200	-	-	-	-	4,059,200
Less: Issue costs - cash	-	(114,063)	-	-	-	-	(114,063)
Less: Issue costs - warrants	-	(64,397)	-	64,397	-	-	-
Flow through premium	-	(1,169,600)	-	-	-	-	(1,169,600)
Exercise of warrants	4,367,000	605,468	15,000	(11,063)	-	-	609,405
Exercise of options	414,000	89,645	-	(41,755)	-	-	47,890
Transfer of value on expired options	-	-	-	(15,660)	-	15,660	-
Net loss for the period	-	-	-	-	-	(2,472,361)	(2,472,361)
Balance, August 31, 2024	175,046,458	33,032,052	15,000	5,461,441	(103,800)	(34,438,566)	3,966,127
Receipts of private placement funding	9,160,657	2,473,377	-	-	-	-	2,473,377
Less: Issue costs - cash	-	(67,931)	-	-	-	-	(67,931)
Less: Issue costs - warrants	-	(37,287)	-	37,287	-	-	-
Allocation to flow-through premium	-	(641,246)	-	-	-	-	(641,246)
Shares issued for exploration and evaluation assets	944,686	188,937	-	-	-	-	188,937
Exercise of warrants	8,029,000	1,092,296	(15,000)	(57,151)	-	-	1,020,145
Exercise of options	1,636,000	276,873	-	(127,513)	-	-	149,360
Net loss for the period	-	-	-	-	-	(1,775,192)	(1,775,192)
Balance, February 28, 2025	194,816,801	36,317,071	-	5,314,064	(103,800)	(36,213,758)	5,313,577

⁽¹⁾ Accumulated other comprehensive loss

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Equity Metals Corporation

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Cash Flows

For the six months ended February 28, 2025 and February 29, 2024

(Unaudited – Presented in Canadian dollars)

	February 28 2025	February 29, 2024
	\$	\$
Cash flows from operating activities		
Net loss for the period	(1,775,192)	(1,606,229)
<i>Items not affecting cash</i>		
Depreciation	3,597	4,161
Accrued interest income	(63,589)	10,989
Share-based payments	-	389,537
Foreign exchange loss	453	1,501
Flow-through premium recovery	(580,107)	(148,664)
	(2,414,838)	(1,348,705)
<i>Changes in non-cash operating working capital</i>		
Change in receivables and prepaids	87,136	39,131
Change in reclamation provision	(96,325)	-
Change in accounts payable and accrued liabilities	(389,581)	66,526
Change in amounts due to related parties	2,556	(9,054)
Cash used in operating activities	(2,811,052)	(1,252,102)
Cash flows used in investing activities		
Mineral property bond security refunds (deposits)	(61,500)	-
Acquisition of exploration and evaluation assets	(56,307)	-
Purchase of equipment	(4,184)	(12,356)
Interest income received	61,769	-
Cash used in investing activities	(60,222)	(12,356)
Cash flows from financing activities		
Receipts from private placement financing	2,473,377	1,615,000
Share issue costs	(67,931)	(25,099)
Proceeds from exercise of options	149,360	-
Proceeds from exercise of warrants	1,020,145	-
Cash from financing activities	3,574,951	1,589,901
Increase in cash and cash equivalents	703,677	325,443
Effects of foreign exchange on cash and cash equivalents	(453)	(1,501)
Cash and cash equivalents - Beginning	5,000,044	2,951,659
Cash and cash equivalents - Ending	5,703,268	3,275,601

Supplemental cash flow information (Note 11)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Equity Metals Corporation

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Notes to Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2025 and February 29, 2024

(Unaudited – Presented in Canadian dollars)

1 Nature of operations and going concern

Equity Metals Corporation (“Equity Metals Corporation” or the “Company”) was incorporated pursuant to the laws of British Columbia on April 7, 1964. On September 12, 2019, the Company changed its name from New Nadina Explorations Limited to Equity Metals Corporation and changed its stock symbol to “EQTY” from “NNA”. The Company is principally engaged in the acquisition, exploration, and development of mineral and diamond properties in British Columbia, Saskatchewan and the Northwest Territories. The Company’s common shares trade on the TSX Venture Exchange under the trading symbol “EQTY” and on the OTCQB Venture Marketplace in the United States of America under the trading symbol “EQMEF”. The Company is extra-provincially registered in the Province of Saskatchewan and extra-territorially registered in the Northwest Territories.

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months.

The Company has incurred losses since inception and expects to incur further losses in the development of its business. As at February 28, 2025, the Company had working capital of \$4,785,611 and an accumulated deficit of \$36,213,758, which has been funded primarily by the issuance of equity.

The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These factors may cast significant doubt upon the Company’s ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2 Basis of presentation

Statement of compliance

The Company’s unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards (as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”)) (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The unaudited condensed interim consolidated financial statements do not include all the information and note disclosures required by IFRS Accounting Standards for annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended August 31, 2024, which have been prepared in accordance with IFRS.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended August 31, 2024.

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(Unaudited – Presented in Canadian dollars)

Basis of consolidation

These unaudited condensed interim consolidated financial statements include the financial statements of the Company and its 100% controlled subsidiary, 1157274 B.C. Ltd. which was incorporated by the Company on March 19, 2018. Subsidiaries are entities controlled by the Company and are included in the unaudited condensed interim consolidated financial statements from the date that control commences until the date that control ceases. The Company and its subsidiary apply the same accounting policies. All material intercompany balances are eliminated on consolidation.

3 Use of estimates, assumptions and judgments

In preparing these unaudited condensed interim consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended August 31, 2024.

4 Property and equipment

	Building	Equipment & Vehicles	Total
	\$	\$	\$
Cost			
Balance at August 31, 2023	148,032	104,925	252,957
Additions	-	12,356	12,356
Balance at August 31, 2024	148,032	117,281	265,313
Additions	-	4,184	4,184
Balance at February 28, 2025	148,032	121,465	269,497
Accumulated depreciation			
Balance at August 31, 2023	135,253	87,404	222,657
Depreciation	2,371	5,545	7,916
Balance at August 31, 2024	137,624	92,949	230,573
Depreciation	1,014	2,583	3,597
Balance at February 28, 2025	138,638	95,532	234,170
Net book value			
Balance at August 31, 2024	10,408	24,332	34,740
Balance at February 28, 2025	9,394	25,933	35,327

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(Unaudited – Presented in Canadian dollars)

5 Exploration and evaluation assets

Amounts capitalized to exploration and evaluation assets at February 28, 2025 and August 31, 2024 are as follows:

	February 28, 2025	August 31, 2024
Acquisition cost of exploration and evaluation assets		
Silver Queen property – BC (100% interest)	\$ 38,413	\$ 38,413
Arlington property – BC (earn-in interest)	245,244	-
Monument Diamond property – NWT (57.49% interest)	1	1
WO Claim block – NWT (4.47% interest)	1	1
La Ronge Silica project – SK (100% interest)	-	-
	283,659	38,415

Silver Queen property, British Columbia - Omineca Mining Division (100%)

The Company has a 100% interest in the Silver Queen Property, located in the Omineca Mining Division, of British Columbia. The property includes 17 crown-granted titles, comprised of 2 surface and undersurface titles and 15 undersurface-only titles, and 46 tenure claims. As at February 28, 2025, reclamation deposits of \$85,000 (August 31, 2024 - \$53,500) are held in relation to the Silver Queen property. At February 28, 2025, the Company has separately accrued \$10,000 (August 31, 2024 - \$106,325) in connection with expected future reclamation costs.

Arlington property, British Columbia (earn-in interest)

On November 5, 2024, the Company entered into an option agreement (the “Agreement”) with Origen Resources Inc. (“Origen”) to acquire a 100% interest in the Arlington Property located within the Arrow Boundary District of south-central British Columbia. During the period ended February 28, 2025, the Company staked 3 additional claims totaling approximately 1,830 ha and capitalized \$3,190 to exploration and evaluation assets in connection with staking costs. The property is comprised of 12 claims totaling approximately 5,387 ha. In order to acquire the undivided 100% interest, the Company is required to:

(a) Pay to Origen:

- \$50,000 upon execution of the Agreement (paid);
- \$30,000 upon execution of the Agreement (as reimbursement of costs associated with the bond posted in regard to the current drill permit) (paid) – recorded in reclamation and other deposits in the consolidated statement of financial position; and
- \$50,000 on or before the first anniversary of Regulatory Approval.

(b) Issue and deliver to Origen common shares (the “Shares”) of the Company:

- \$200,000 worth of Shares (issued – Note 12); and
- \$200,000 worth of Shares, or 2,000,000 Shares, whichever is the greater, on or before the first anniversary of Regulatory Approval;

with the number of such Shares to be calculated on the basis of the volume-weighted average price of the Shares on the Exchange for the most recent 20 trading days prior to the date of issuance, subject to a minimum deemed

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issue price set at the Discounted Market Price (as defined in the policies of the Exchange) of the Shares at the time of announcement of this Letter Agreement by way of news release; and

- (c) Incur aggregate exploration expenditures on the Claims of not less than \$250,000 on or before the first anniversary of Regulatory Approval.

The property is subject to a net smelter return royalty (the “NSR Royalty”) in the amount of 2% of net smelter returns. The Company has an option to purchase 1% of the NSR Royalty at any time for \$1,000,000.

During the six months ended February 28, 2025, the Company issued 944,686 common shares to Origen in connection with the agreement. For accounting purposes, the shares were valued at the closing price on the issuance date of \$0.20 per common share. As a result, the amount of \$188,937 was capitalized to the acquisition of exploration and evaluation assets.

La Ronge Silica project, Saskatchewan (100%)

The Company holds a 100% interest in a renewable mineral lease covering a silica quarry which expires in December 2029.

Monument Diamond property, Lac de Gras NWT (57.49%)

In May 2002, the Company acquired from DHK Diamonds Inc. three claims and took them to lease in the Mackenzie District Mining Division, Northwest Territories. An Agreement provides for a 1% gross overriding royalty payable to each of DHK Diamonds Inc. and Royal Gold Inc. (Kennecott Canada Explorations Inc.), with the Company having an indirect 0.4337% interest in the royalty. Equity Metals is the operator and retains 57.49% with two other parties holding the remaining participating interest in the mineral claims. During 2023, the Company renewed the mineral leases for a 21-year period, expiring May 9, 2044, subject to aggregate annual lease payments of \$15,405.

In July 2017, the Company acquired 2 staked claims adjacent to the northern boundary of the 3 mineral leases.

The Company currently holds a five-year Type “A” Land Use Permit by the Wek’eezhii Land and Water Board which was extend for a two-year period in September 2024 and expires on September 1, 2026.

As at February 28, 2025, reclamation deposits of \$93,980 (August 31, 2024 - \$93,980) are held by the Government of Northwest Territories in relation to the Monument property.

WO Claim block

The Company holds an indirect 4.47% (August 31, 2024 – 4.47%) of the WO claim block, a diamond property in the Northwest Territories managed by the De Beers Group. The Company has a cost contribution commitment, commensurate with its interest, to fund the costs of operating the WO claim block. The Company was not requested to make any contributions for the three and six months ended February 28, 2025 (February 29, 2024 - \$nil).

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(Unaudited – Presented in Canadian dollars)

Exploration and evaluation expenditures:

During the six months ended February 28, 2025, the Company incurred the following exploration expenditures:

	Silver Queen property	Arlington project	La Ronge Silica project	Monument Diamond property	Total
	\$	\$	\$	\$	\$
Assay analysis	308,194	9,780	-	-	317,974
Camp preparation	271,352	1,123	-	-	272,475
Depreciation	3,597	-	-	-	3,597
Drilling	793,491	-	-	-	793,491
General exploration	144,683	98,244	-	1,560	244,487
Geology	273,191	41,643	203	335	315,372
Geophysics	15,600	-	-	-	15,600
Environmental and reclamation	(17,530)	-	-	5,401	(12,129)
Property, assessment/taxes	-	-	208	(5,000)	(4,792)
	1,792,578	150,790	411	2,296	1,946,075
Generative exploration	-	-	-	-	1,608
	1,792,578	150,790	411	2,296	1,947,683

During the six months ended February 29, 2024, the Company incurred the following exploration expenditures:

	Silver Queen property	Arlington project	La Ronge Silica project	Monument Diamond property	Total
	\$	\$	\$	\$	\$
Assay analysis	145,473	-	-	-	145,473
Camp preparation	67,745	-	-	-	67,745
Depreciation	4,161	-	-	-	4,161
Drilling	441,601	-	-	-	441,601
General exploration	125,886	-	-	-	125,886
Geology	193,321	-	1,008	-	194,329
Environmental and reclamation	3,670	-	-	-	3,670
	981,857	-	1,116	-	982,973

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For the three and six months ended February 28, 2025 and February 29, 2024

(Unaudited – Presented in Canadian dollars)

During the three months ended February 28, 2025, the Company incurred the following exploration expenditures:

	Silver Queen property	Arlington project	La Ronge Silica project	Monument Diamond property	Total
	\$	\$	\$	\$	\$
Assay analysis	8,636	77	-	-	8,713
Camp preparation	(3,099)	319	-	-	(2,780)
Depreciation	1,860	-	-	-	1,860
General exploration	45,893	89,439	-	-	135,332
Geology	70,821	15,058	-	63	85,942
Environmental and reclamation	19,980	-	-	-	19,980
	144,091	104,893	-	63	249,047

During the three months ended February 29, 2024, the Company incurred the following exploration expenditures:

	Silver Queen property	Arlington project	La Ronge Silica project	Monument Diamond property	Total
	\$	\$	\$	\$	\$
Assay analysis	36,510	-	-	-	36,510
Camp preparation	2,784	-	-	-	2,784
Depreciation	2,027	-	-	-	2,027
General exploration	1,875	-	-	-	1,875
Geology	55,395	-	397	-	55,792
	98,591	-	397	-	98,988

6 Flow-through premium

The flow-through premium liability as at February 28, 2025 of \$930,604 (August 31, 2024 - \$896,465) arose in connection with the share offerings closed on June 19, 2024 and on December 17, 2024. The reported amount is the unamortized balance of the premium received from issuing the flow-through shares in June 2024 and December 2024. This balance does not represent a direct cash liability to the Company. The flow-through premium liability will be amortized, as a recovery, to the statement of loss and comprehensive loss pro-rata with the amount of related qualifying flow-through expenditures that are incurred by the Company.

The Company is committed to incur on or before December 31, 2025 qualifying Canadian exploration expenses as defined under the Income Tax Act (Canada) (the “Qualifying Expenditures”) in the amount of \$4,059,200 with respect to the flow-through share financing completed on June 19, 2024 and in the amount of \$2,473,377 with respect to the flow-through share financing completed on December 17, 2024. None of the Qualifying Expenditures will be available to the Company for future deduction from taxable income. As of February 28, 2025, the Company incurred related aggregate exploration expenses of \$3,054,958. Accordingly, the Company’s remaining commitment to incur Qualifying Expenditures at February 28, 2025 is \$3,477,619.

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During the three and six months ended February 28, 2025, the Company recognized an aggregate of \$60,932 and \$580,107, respectively, in flow-through premium recoveries in the consolidated statements of loss and comprehensive loss.

The amounts recognized as a flow-through premium recovery represent the pro-rata portion of Qualifying CEE incurred during the applicable period for the applicable period presented in these financial statements.

Part XII.6 tax arises on the balance of exploration expenses renounced in the first tax year of an applicable flow-through financing but which remain to be incurred at the end of each month, apart from January, in the second tax year of an applicable flow-through financing. The balance of expenditures not incurred at the end of each applicable month in the second tax year of an applicable flow-through financing are subject to interest ("Part XII.6 tax") at the Canada Revenue Agency's prescribed rate. During each of the three and six months ended February 28, 2025 the Company recorded an expense of \$19,429 in connection with Part XII.6 tax (February 29, 2024 - \$nil) associated with prior flow-through financings.

7 Share capital

Authorized

An unlimited number of common shares without par value

Financings

During the six months ended February 28, 2025, the Company closed a non-brokered flow-through private placement by issuing 9,160,657 premium / charity flow-through units (the "Units") at a price of \$0.27 per Unit for gross proceeds of \$2,473,377. Each Unit consists of one flow-through common share and one-half of one share purchase warrant, with each whole warrant entitling the holder thereof to purchase one non-flow-through common share for a period of three years, until December 17, 2027, at an exercise price of \$0.27. The Company incurred finders' fees of \$43,211, other cash issuance costs of \$24,720 and issued an aggregate 240,060 non-transferable finders' warrants in connection with the private placement. Each finder's warrant is exercisable to purchase one common share for a period of 3 years at a price of \$0.27. The fair value of the finders' warrants of \$37,287 was calculated using the Black-Scholes Model and the following assumptions: share price - \$0.17; expected life – 3 years; volatility – 119.76%; discount rate – 3.02%; dividend rate – \$nil.

During the six months ended February 28, 2025, the Company issued 1,636,000 shares upon exercise of stock options with a weighted-average exercise price of \$0.09 for gross proceeds of \$149,360. The Company reclassified fair value of \$127,513 from Reserves to Share Capital associated with the 1,636,000 stock options exercised during the period (February 29, 2024 - \$nil). During the six months ended February 28, 2025, the weighted average share price at the date of option exercises was \$0.24 (February 29, 2024 - \$nil).

During the six months ended February 28, 2025, the Company issued 8,029,000 shares upon exercise of warrants for gross proceeds of \$1,035,145, which also included 100,000 common shares with proceeds of \$15,000 collected from the exercise of 100,000 warrants at the exercise price of \$0.15 per common share, for which proceeds were received at August 31, 2024. The Company reclassified fair value of \$57,151 from Reserves to Share Capital in connection with the warrant exercise.

During the six months ended February 29, 2024, the Company closed a non-brokered flow-through private

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placement by issuing 8,500,000 premium flow-through units (the "Units") at a price of \$0.19 per Unit for gross proceeds of \$1,615,000. Each Unit consists of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to purchase one non-flow through common share for a period of 5 years, until December 20, 2028, at an exercise price of \$0.18. The Company incurred cash issuance costs of \$25,099 in connection with the private placement

Stock options

The Company has established a share purchase option plan (the "Plan") whereby the Board of Directors may from time-to-time grant options to directors, officers, employees or consultants. The maximum term of the options granted under the Plan is ten years from the date of grant, however the normal term of the options is five years, or such lesser period as determined by the Company's Board of Directors. The exercise price of options is determined by the Board of Directors and shall not be lower than the allowable discounted closing market price of the shares on the business day immediately prior to the grant date.

During six months ended February 29, 2024, the Company granted 3,650,000 incentive stock options to directors, officers and consultants, which vested upon grant, at an exercise price of \$0.12 per share and recorded share-based compensation in the amount of \$398,537 for the three and six month ended February 29, 2024. The weighted average fair value of the options granted during the period ended February 29, 2024 was \$0.11, with the fair value of the options granted during the year estimated using the Black-Scholes option-pricing model. Weighted average assumptions used in the pricing model were as follows: share price – \$0.12; exercise price – \$0.12; expected life – 5 years; risk-free rate – 3.24%; expected volatility (based on historical volatility) – 138.98%; expected forfeitures – nil; and expected dividends – nil. No options were granted during the period ended February 28, 2025.

During the period ended February 29, 2024, the Company reclassified, from Reserves to Deficit, \$40,486 of fair value associated with the 500,000 options which expired during the period. No options expired during the period ended February 28, 2025.

The Company's stock options outstanding as at February 28, 2025 and the changes for the period then ended are as follow:

	Number of options	Weighted average exercise price (\$ per share)	Weighted average remaining life (years)
Balance - August 31, 2024	14,961,000	0.173	2.63
Exercised	(1,636,000)	0.091	
Balance - February 28, 2025	13,325,000	0.184	2.38
Exercisable - February 28, 2025	13,325,000	0.184	2.38

The weighted average share prices of options exercised during the six months ended February 28, 2024 was \$0.24. No options were exercised during the same period ended February 29, 2024.

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The balance of options outstanding as at February 28, 2025 is as follows:

Expiry date	Exercise price \$	Number of options outstanding	Number of options exercisable
October 19, 2025	0.20	100,000	100,000
January 29, 2026	0.26	4,000,000	4,000,000
January 26, 2027	0.135	2,700,000	2,700,000
March 20, 2028	0.20	2,975,000	2,975,000
January 4, 2029	0.12	3,550,000	3,550,000
		13,325,000	13,325,000

Share purchase warrants

The Company's warrants outstanding as at February 28, 2025 and the changes for the period then ended are as follows:

	Number of warrants	Weighted average exercise price (\$ per share)	Weighted average remaining life (years)
Balance - August 31, 2024	47,075,940	0.17	1.57
Granted	4,820,388	0.27	
Exercised	(8,029,000)	0.12	
Expired	(265,000)	0.12	
Balance - February 28, 2025	43,602,328	0.20	1.94

During the period ended February 28, 2025, the Company reclassified, from Reserves to Deficit, \$nil (February 29, 2024 - \$298,756) of fair value associated with the nil finders' warrants (February 29, 2024 – 2,479,566 finders' warrants) which expired during the period.

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Warrants to acquire common shares are outstanding at February 28, 2025 as follows:

Expiry date	Exercise price \$	Number of warrants outstanding
December 29, 2025	0.150	9,898,197
January 16, 2026	0.150	9,736,800
August 16, 2026	0.130	99,279
August 16, 2026	0.200	3,253,064
June 19, 2027	0.290	6,880,000
June 19, 2027	0.200	414,600
December 19, 2027	0.270	4,820,388
December 20, 2028	0.180	8,500,000
		43,602,328

Options and warrants outstanding at February 28, 2025 are anti-dilutive as they would reduce the loss per share, and are therefore excluded from the calculation of diluted loss per share. Accordingly, the loss per share and diluted loss per share are the same amounts.

8 Related party transactions and commitments

Key management includes the President, the Chief Financial Officer, the VP Exploration, the VP Corporate Development and the directors. The compensation paid or payable to key management for services during the three and six months ended February 28, 2025 and February 29, 2024 is as follows:

	Three months ended		Six months ended	
	February 28, 2025	February 29, 2024	February 28, 2025	February 29, 2024
	\$	\$	\$	\$
Management and professional fees to related parties	23,979	25,925	45,179	39,781
General exploration fees to related parties	12,071	13,247	38,032	26,769
Share-based payments to related parties	-	261,471	-	261,471
	36,050	300,643	83,211	328,021

During the three and six months ended February 28, 2025, \$16,413 (February 29, 2024 - \$15,822) and \$33,444 (February 29, 2024 - \$31,372), respectively, in non-CFO accounting support services was charged by Malaspina Consultants Inc., a company controlled by Killian Ruby, the CFO and a director of the Company. Further, during the three and six months ended February 28, 2025, the following amounts were charged to the Company by Manex Resource Group Inc., a company indirectly controlled by Killian Ruby, the CFO and a director of the Company: (i) \$18,888 (February 29, 2024 - \$15,869) and \$39,793 (February 29, 2024 - \$31,709), respectively, being costs for general exploration services; (ii) \$15,000 (February 29, 2024 - \$15,000) and \$30,000 (February 29, 2024 - \$30,000), respectively, being costs for office rent services; (iii) \$2,853 (February 29, 2024 - \$1,786)

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and \$4,664 (February 29, 2024 – \$6,284), respectively, being costs for general office and administration support services; (iv) \$13,567 (February 29, 2024 - \$7,890) and \$26,865 (February 29, 2024 – \$11,890), respectively, being costs for legal and corporate secretarial support services and (v) \$41,163 (February 29, 2024 - \$32,405) and \$80,599 (February 29, 2024 – \$76,704), respectively, being costs for corporate development and promotion services.

Included in current liabilities at February 28, 2025 is \$35,937 (August 31, 2024 - \$33,381) due to related parties. These amounts are unsecured and due under normal business terms.

At February 28, 2025, \$13,988 (August 31, 2024 - \$7,021) was included in receivables and prepaids for expense advances paid to the President and a Director of the Company.

9 Capital management

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its equity to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the six months ended February 28, 2025.

10 Segmented information

The Company operates in one reportable segment, being the acquisition and exploration of exploration and evaluation assets in Canada.

11 Supplemental cash flow information

	February 28, 2025	February 29, 2024
	\$	\$
Taxes paid	-	-
Change in reclamation provision	(96,325)	-
Flow-through premium	641,246	425,000
Shares issued for exploration and evaluation assets	188,937	-
Issuance of common shares from subscriptions received in advance	15,000	-
Transfer of value from reserves on exercise of warrants	57,151	-
Transfer of value from reserves on exercise of options	127,513	-
Transfer of value from reserves on expiry of options	-	40,486
Transfer of value from reserves on expiry of warrants	-	298,756

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12 Subsequent events

Subsequent to February 28, 2025, the Company granted 5,150,000 stock options to directors, officers and consultants of the Company. Stock options are exercisable at the price of \$0.17 per common share for a period of five years.

Subsequent to February 28, 2025, the Company issued 800,000 common shares on exercise of warrants at \$0.15 per share for gross proceeds of \$120,000.